

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL RESOURCES AND COMMERCE

Call to Order: By **CHAIRMAN JOHN WITT**, on February 9, 1999 at
8:07 A.M., in Room 8:07 Capitol.

ROLL CALL

Members Present:

Rep. John Witt, Chairman (R)
Sen. Tom Keating, Vice Chairman (R)
Sen. William Crismore (R)
Rep. Dick Haines (R)
Sen. Linda Nelson (D)
Rep. Joe Tropila (D)

Members Excused: None.

Members Absent: None.

Staff Present: Summer Alger, Committee Secretary
Greg DeWitt, Legislative Branch
Roger Lloyd, Legislative Branch
Shirley Moore, OBPP
Doug Schmitz, OBPP

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: HB 2 - Dept. of Commerce Budget;
HB 2 - Dept. of Environmental Quality Budget
Executive Action: HB 2 - Dept. of Commerce Budget

Andy Poole, Director/Management Services, gave the division
overview presentation referring to page **C-259** of the Legislative
Budget Analysis 2001 Biennium: Agency Budgets, Vol. 1, January
1999, LFD.

**The Legislative Budget Analysis (LBA) 2001 will not be referred to as an
exhibit, however, budget information from other sources will be noted as
exhibits.*

February 9, 1999

PAGE 2 of 6

Rates

Sen. Keating commented on ISD and MTPPRIME, and asked if the offices are getting bids. **Rep. Haines** commented and questioned **Mr. Poole** about indirect cost rate. **Rep. Tropila** asked about information technology and the snowball effect. **Rep. Haines** inquired about information tech's and what they do.

EXECUTIVE ACTION ON HB 2 - DEPT. OF COMMERCE BUDGET -
DIRECTOR/MANAGEMENT SERVICES

{Tape : 1; Side : A; Approx. Time Counter : 22.3}

Motion/Vote: **SEN. KEATING** moved that **THE REQUESTED RATES BE ADOPTED. SECONDED** by **REP. HAINES**. Motion carried unanimously.

HEARING ON HB 2 - DEPT. OF COMMERCE BUDGET - VENTURE STAR

Greg DeWitt handed out a sheet from the 1987 Legislature with House bill summaries addressing super collider funding.

EXHIBIT (jnh32a01)

Peter Blouke, Director, commented on the \$300,000 requested in assistance for local communities for any future costs for Venture Star. **Chairman Witt** commented, and **Director Blouke** remarked that they would like similar language to that of Section 1 of HB 867 as shown in Exhibit 1. The chairman also asked if they are thinking in terms of prorating it. **Sen. Keating** questioned the specific use of the \$300,000: contracting, environmental impact statements, and/or engineering/architecture.

Sen. Keating also interjected **Sen. Wilson's** bill, commenting that it would be a shortfall for education. **Rep. Tropila** replied that he does not see a shortfall because they (educators) are not here at the meeting.

Rep. Haines commented that \$300,000 seems woefully inadequate for such a project, then **Chairman Witt** questioned if that amount really means anything in the whole scheme of the project.

Director Blouke replied that the request to the Governor was for \$2 million. **Chairman Witt** commented that he cannot believe this project is/was not addressed in a bill since is not a new idea. He also commented that some way or another, the legislature should come up with some funds to get Venture Star landed in Montana. **Sen. Nelson** asked **Director Blouke** why it is coming as such an after thought. **Mr. Poole** replied, also. **Sen. Crismore**

February 9, 1999

PAGE 3 of 6

commented that he is leaning towards a committee bill and running it through that way.

**EXECUTIVE ACTION ON HB 2 - DEPT. OF COMMERCE BUDGET - VENTURE
STAR**

{Tape : 1; Side : B; Approx. Time Counter : 19}

Motion/Vote: SEN. CRISMORE moved that VENTURE STAR BE PUT INTO A COMMITTEE BILL. SECONDED by REP. TROPILA. Motion carried 5-1 with Haines voting no.

**HEARING ON HB 2 - DEPT. OF COMMERCE BUDGET - NATURAL RESOURCE
ECONOMIC ADVISORY COUNCIL**

Director Blouke handed out an Executive Order Creating the Governor's Natural Resource Advisory Council. It is an expense attached request of \$45,000 for the biennium (what it cost the Dept. of Agriculture for Vision 2005 Task Force).

EXHIBIT (jnh32a02)

Sen. Nelson asked if the department is looking for a task force the size of Vision 2005, then inquired as to who would make up the committee.

Before taking action on this issue, **Chairman Witt** argued for proof that these committees/task forces work and are effective.

Director Blouke commented that all must pull together, and **Sen. Crismore** agreed. in response to **Rep. Tropila's** substitute motion to make a committee bill, **Sen. Nelson** commented that she is sure the industry will come forward, so does not think that this needs to be added as a bill.

There was more discussion on the member make-up of the task force, and **Director Blouke** commented that he is not sure legally how it would work with the legislature, telling the Governor who will have to be on his council.

**EXECUTIVE ACTION ON HB 2 - DEPT. OF COMMERCE BUDGET - NATURAL
RESOURCE ECONOMIC ADVISORY COUNCIL**

{Tape : 2; Side : A; Approx. Time Counter : 15.6}

Substitute Motion/Vote: REP. TROPILA made a substitute motion that A COMMITTEE BILL FOR THE NATURAL RESOURCE ECONOMIC ADVISORY COUNCIL BE ADOPTED. SECONDED by REP. HAINES. Substitute motion failed 3-3 with Tropila, Haines, and Keating voting aye.

February 9, 1999

PAGE 4 of 6

{Tape : 2; Side : A; Approx. Time Counter : 16.2}

Motion/Vote: SEN. NELSON moved that THE \$45,000 FOR THE BIENNIUM FOR THE NATURAL RESOURCE ECONOMIC ADVISORY COUNCIL BE ADOPTED. SECONDED by REP. HAINES Motion carried unanimously.

{Tape : 2; Side : A; Approx. Time Counter : 19.4}

Motion/Vote: SEN. NELSON moved that THE \$45,000 OVER THE BIENNIUM FOR THE NATURAL RESOURCE ECONOMIC ADVISORY COUNCIL BE AMENDED AS ONE-TIME-ONLY AND RESTRICTED. SECONDED by REP. HAINES. Motion carried unanimously.

Mr. DeWitt commented that none of the sections have been closed, and Sen. Keating responded that at some point the committee will close them, but can reconsider HUD later.

Chairman Witt asked to discuss the CI-75 ballot issues and letter to Greg Petesch, Legislative Leadership. Mr. DeWitt read that \$4.6 million is the impact for just voter information packets just for the POL Division. Sen. Keating commented that would be a good idea to have list of other department's similar impacts that the committee has dealt with.

Break @ 9:37am *{Tape : 2; Side : A; Approx. Time Counter : 29.3}*

HEARING ON HB 2 - DEPT. OF ENVIRONMENTAL QUALITY BUDGET - GENERAL AGENCY OVERVIEW

Mark Simonich, Director, Dept. of Environmental Quality (DEQ), began the department overview presentation. The committee also received a handout of a DEQ overview packet as a supplement to the presentation.

EXHIBIT (jnh32a03)

Central Management Division

Dave Thorsen, Administrator, Central Management Division, gave a brief overview of this division with the assistance of Curt Chisholm. Sen. Keating questioned Mr. Thorsen on the off-budget funding, and which bureau handles that money. He then asked about the number of FTE's in this division.

Permitting & Compliance Division

February 9, 1999

PAGE 5 of 6

Jan Sensibaugh, Administrator, Permitting & Compliance Division, gave a brief overview of this division. She referred to Table 5 on page **C-53** of the LBA 2001 budget book along with **Roger Lloyd's** write-up, and **Mr. Lloyd** inquired about SB 65. **Sen. Keating** brought up his own fee option ~ bring to people the amount of legislative spending authority, so as to avoid going out for vote with fee setting every biennium. **Mr. Chisholm** replied, commenting that the attorney told them no on that route. Only a specific amount of money, not a fee range for people to vote on. **Director Simonich** commented that he is not sure industries would want to increase fees, even though it is to lower them in the scheme of things. He was also not sure that they could increase back-up without it being called a fee increase.

Rep. Haines commented on CI-137, and **Sen. Keating** asked about people's thoughts of the EPA established fees, then asked about primacy.

Mr. Lloyd addressed the agency beginning with page **C-46** of the LBA 2001 budget book, and finishing up on page **C-55**. **Chairman Witt** asked for clarification from the agency on the reorganization. **Sen. Keating** questioned the information under state special revenue in Table 2 on page **C-48**. He asked for a list of projects that were funded out of RIT, and where the money was spent.

Mr. Chisholm commented that the Performance Partnership Agreement has happened since the write-up. **Director Simonich** remarked that **Mr. Thorsen** will present the Central Management Division during the next meeting.

February 9, 1999

PAGE 6 of 6

ADJOURNMENT

Adjournment: 11:39 A.M.

REP. JOHN WITT, Chairman

SUMMER ALGER, Secretary

JW/SA

EXHIBIT (jnh32aad)